



July 21, 2000

The Honorable John D. Dingell
2328 Rayburn House Office Building
Washington, D.C. 20515

Dear Representative Dingell:

On behalf of Premier Inc., I am writing to applaud your introduction of the "FamilyCare Act of 2000" and express our strong support. Premier is a strategic alliance of leading not-for-profit hospitals and health systems across the nation. Premier provides group purchasing and other services for more than 1,800 hospitals and healthcare facilities.

As reported by the Urban Institute in the July/August issue of *Health Affairs*, the population of non-elderly uninsured grew by 4.2 million between 1994 and 1998. This hike in the rate of uninsured occurred among children and adults. In the same period, Medicaid coverage fell from 10 to 8.4 percent, or about 3.1 million persons (1.9 million children and 1.2 million adults). Your legislation confronts and seeks to address these disturbing trends head on.

The FamilyCare Act of 2000 not only expands coverage to children—it also enables states to provide health insurance to parents of children enrolled in CHIP and Medicaid. The bill creates new opportunities for states to cover immigrant children and pregnant women, and provides for the automatic coverage of children born to CHIP-enrolled parents, thereby enhancing presumptive eligibility.

This legislation provides for the mutual reinforcement of the Medicaid and CHIP programs by integrating eligibility determination and outreach efforts. A standard application form and simple enrollment process for both programs will raise the participation rate for both programs. Finally, the bill provides grants to support broader outreach activities and employer subsidies to offer health insurance packages, thereby encouraging joint public/private market innovations to reduce the population of uninsured.

Stifling the growth in the rate of uninsured and reversing the trend remain a top priority for the hospital community. Securing the appropriate preventative care for these individuals will improve the quality and cost-effectiveness of further care, as the uninsured are more likely to be hospitalized for medical conditions that, initially, could have been managed with physician care and/or medication.

Thank you for taking the lead in addressing the problem of America's uninsured. We look forward to working with you toward enactment of this important legislation.

Sincerely,

A handwritten signature in dark ink, appearing to read "Herb Kuhn", written over a horizontal line.

Herb Kuhn
Vice President, Advocacy

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